

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 526

Introduced by Connealy, 16; Cunningham, 40; Synowiecki, 7

Read first time January 14, 2005

Committee: Revenue

A BILL

1 FOR AN ACT relating to ethanol; to amend sections 66-1344,
2 66-1344.01, 66-1345, 66-1345.01, and 66-1519, Revised
3 Statutes Supplement, 2004; to provide an ethanol
4 production tax incentive; to change an excise tax rate;
5 to transfer funds; to harmonize provisions; and to repeal
6 the original sections.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 66-1344, Revised Statutes Supplement,
2 2004, is amended to read:

3 66-1344. (1) Beginning June 1, 2000, during such period
4 as funds remain in the Ethanol Production Incentive Cash Fund, any
5 ethanol facility shall receive a credit of seven and one-half cents
6 per gallon of ethanol, before denaturing, for new production for a
7 period not to exceed thirty-six consecutive months. For purposes
8 of this subsection, new production means production which results
9 from the expansion of an existing facility's capacity by at least
10 two million gallons first placed into service after June 1, 1999,
11 as certified by the facility's design engineer to the Department of
12 Revenue. For expansion of an existing facility's capacity, new
13 production means production in excess of the average of the highest
14 three months of ethanol production at an ethanol facility during
15 the twenty-four-month period immediately preceding certification of
16 the facility by the design engineer. No credits shall be allowed
17 under this subsection for expansion of an existing facility's
18 capacity until production is in excess of twelve times the
19 three-month average amount determined under this subsection during
20 any twelve-consecutive-month period beginning no sooner than June
21 1, 2000. New production shall be approved by the Department of
22 Revenue based on such ethanol production records as may be
23 necessary to reasonably determine new production. This credit must
24 be earned on or before December 31, 2003.

25 (2)(a) Beginning January 1, 2002, any new ethanol
26 facility which is in production at the minimum rate of one hundred
27 thousand gallons annually for the production of ethanol, before
28 denaturing, and which has provided to the Department of Revenue

1 written evidence substantiating that the ethanol facility has
2 received the requisite authority from the Department of
3 Environmental Quality and from the United States Department of
4 Justice, Bureau of Alcohol, Tobacco, Firearms and Explosives, on or
5 before June 30, 2004, shall receive a credit of eighteen cents per
6 gallon of ethanol produced for ninety-six consecutive months
7 beginning with the first calendar month for which it is eligible to
8 receive such credit and ending not later than June 30, 2012, if the
9 facility is defined by subdivision (b)(i) of this subsection, and
10 for forty-eight consecutive months beginning with the first
11 calendar month for which it is eligible to receive such credit and
12 ending not later than June 30, 2008, if the facility is defined by
13 subdivision (b)(ii) of this subsection. The new ethanol facility
14 shall provide an analysis to the Department of Revenue of samples
15 of the product collected according to procedures specified by the
16 department no later than July 30, 2004, and at least annually
17 thereafter. The analysis shall be prepared by an independent
18 laboratory meeting the International Organization for
19 Standardization standard ISO/IEC 17025:1999. Prior to collecting
20 the samples, the new ethanol facility shall notify the department
21 which may observe the sampling procedures utilized by the new
22 ethanol facility to obtain the samples to be submitted for
23 independent analysis. The minimum rate shall be established for a
24 period of at least thirty days. In this regard, the new ethanol
25 facility must produce at least eight thousand two hundred nineteen
26 gallons of ethanol within a thirty-day period. The ethanol must be
27 finished product which is ready for sale to customers.

28 (b) For purposes of this subsection, new ethanol facility

1 means a facility for the conversion of grain or other raw feedstock
2 into ethanol and other byproducts of ethanol production which (i)
3 is not in production on or before September 1, 2001, or (ii) has
4 not received credits prior to June 1, 1999. A new ethanol facility
5 does not mean an expansion of an existing ethanol plant that does
6 not result in the physical construction of an entire ethanol
7 processing facility or which shares or uses in a significant manner
8 any existing plant's systems or processes and does not include the
9 expansion of production capacity constructed after June 30, 2004,
10 of a plant qualifying for credits under this subsection. This
11 definition applies to contracts entered into after April 16, 2004.

12 (c) Not more than fifteen million six hundred twenty-five
13 thousand gallons of ethanol produced annually at an ethanol
14 facility shall be eligible for credits under this subsection. Not
15 more than one hundred twenty-five million gallons of ethanol
16 produced at an ethanol facility by the end of the
17 ninety-six-consecutive-month period or
18 forty-eight-consecutive-month period set forth in this subsection
19 shall be eligible for credits under this subsection.

20 (3) (a) Beginning January 1, 2006, any new ethanol
21 facility which is in production at the minimum rate of two million
22 gallons annually for the production of ethanol, before denaturing,
23 and which has provided to the Department of Revenue written
24 evidence substantiating that the ethanol facility has received the
25 requisite authority from the Department of Environmental Quality
26 and from the United States Department of Justice, Bureau of
27 Alcohol, Tobacco, Firearms and Explosives, on or before June 30,
28 2009, shall receive a credit of eight cents per gallon of ethanol

1 produced for seventy-two consecutive months beginning with the
2 first calendar month for which it is eligible to receive such
3 credit and ending not later than June 30, 2015. Before receiving a
4 credit, the new ethanol facility shall provide an analysis to the
5 Department of Revenue of samples of the product collected according
6 to procedures specified by the department. Credits will not be
7 allowed if the samples fail to meet the industry standard for
8 ethanol. The new ethanol facility must produce at least one
9 hundred sixty-four thousand three hundred eighty-four gallons of
10 ethanol within a thirty-day period. The ethanol must be finished
11 product which is ready for sale to customers.

12 (b) For purposes of this subsection, new ethanol facility
13 means a facility for the conversion of grain or other raw feedstock
14 into ethanol and other byproducts of ethanol production which is
15 not in production on or before the effective date of this act. A
16 new ethanol facility does not mean an expansion of an existing
17 ethanol plant that does not result in the physical construction of
18 an entire ethanol processing facility or which shares or uses in a
19 significant manner any existing plant's systems or processes.

20 (c) Not more than twelve million five hundred thousand
21 gallons of ethanol produced annually at an ethanol facility shall
22 be eligible for credits under this subsection. Not more than
23 seventy-five million gallons of ethanol produced at an ethanol
24 facility by the end of the seventy-two-consecutive-month period set
25 forth in this subsection shall be eligible for credits under this
26 subsection.

27 (4) The credits described in this section shall be given
28 only for ethanol produced at a plant in Nebraska at which all

1 fermentation, distillation, and dehydration takes place. No credit
2 shall be given on ethanol produced for or sold for use in the
3 production of beverage alcohol. Not more than ten million gallons
4 of ethanol produced during any twelve-consecutive-month period at
5 an ethanol facility shall be eligible for the credit described in
6 subsection (1) of this section. The credits described in this
7 section shall be in the form of a nonrefundable, transferable motor
8 vehicle fuel tax credit certificate. No transfer of credits will
9 be allowed between the ethanol producer and motor vehicle fuel
10 licensees who are related parties.

11 ~~(4)~~ (5) Ethanol production eligible for credits under
12 this section shall be measured by a device approved by the Division
13 of Weights and Measures of the Department of Agriculture.
14 Confirmation of approval by the division shall be provided by the
15 ethanol facility at the time the initial claim for credits provided
16 under this section is submitted to the Department of Revenue and
17 annually thereafter. Claims submitted by the ethanol producer
18 shall be based on the total number of gallons of ethanol produced,
19 before denaturing, during the reporting period measured in gross
20 gallons.

21 ~~(5)~~ (6) The Department of Revenue shall prescribe an
22 application form and procedures for claiming credits under this
23 section. In order for a claim for credits to be accepted, it must
24 be filed by the ethanol producer within three years of the date the
25 ethanol was produced or by September 30, ~~2012~~ 2015, whichever
26 occurs first. The initial application form shall be accompanied by
27 a five-thousand-dollar application fee which shall be credited to
28 the Ethanol Production Incentive Fund.

1 (7) ~~(6)~~ Every producer of ethanol shall maintain records
2 similar to those required by section 66-487. The ethanol producer
3 must maintain invoices, meter readings, load-out sheets or
4 documents, inventory records, including work-in-progress, finished
5 goods, and denaturant, and other memoranda requested by the
6 Department of Revenue relevant to the production of ethanol. On an
7 annual basis, the ethanol producer shall also be required to
8 furnish the department with copies of the reports filed with the
9 United States Department of Justice, Bureau of Alcohol, Tobacco,
10 Firearms and Explosives. The maintenance of all of this
11 information in a provable computer format or on microfilm is
12 acceptable in lieu of retention of the original documents. The
13 records must be retained for a period of not less than three years
14 after the claim for ethanol credits is filed.

15 ~~(7)~~ (8) For purposes of ascertaining the correctness of
16 any application for claiming a credit provided in this section, the
17 Tax Commissioner (a) may examine or cause to have examined, by any
18 agent or representative designated by him or her for that purpose,
19 any books, papers, records, or memoranda bearing upon such matters,
20 (b) may by summons require the attendance of the person responsible
21 for rendering the application or other document or any officer or
22 employee of such person or the attendance of any other person
23 having knowledge in the premises, and (c) may take testimony and
24 require proof material for his or her information, with power to
25 administer oaths or affirmations to such person or persons. The
26 time and place of examination pursuant to this subsection shall be
27 such time and place as may be fixed by the Tax Commissioner and as
28 are reasonable under the circumstances. In the case of a summons,

1 the date fixed for appearance before the Tax Commissioner shall not
2 be less than twenty days from the time of service of the summons.
3 No taxpayer shall be subjected to unreasonable or unnecessary
4 examinations or investigations. All records obtained pursuant to
5 this subsection shall be subject to the confidentiality
6 requirements and exceptions thereto as provided in section
7 77-27,119.

8 ~~(8)~~ (9) To qualify for credits under this section, an
9 ethanol producer shall provide public notice for bids before
10 entering into any contract for the construction of a new ethanol
11 facility. Preference shall be given to a bidder residing in
12 Nebraska when awarding any contract for construction of a new
13 ethanol facility if comparable bids are submitted. For purposes of
14 this subsection, bidder residing in Nebraska means any person,
15 partnership, foreign or domestic limited liability company,
16 association, or corporation authorized to engage in business in the
17 state with employees permanently located in Nebraska. If an
18 ethanol producer enters into a contract for the construction of a
19 new ethanol facility with a bidder who is not a bidder residing in
20 Nebraska, such producer shall demonstrate to the satisfaction of
21 the Department of Revenue ~~in its application for credits~~ Labor that
22 no comparable bid was submitted by a responsible bidder residing in
23 Nebraska. ~~The department shall deny an application for credits if~~
24 ~~it is determined that the contract was denied to a responsible~~
25 ~~bidder residing in Nebraska without cause~~ The Department of Revenue
26 shall not provide any credits until the Department of Labor
27 provides written confirmation of the producer's compliance with
28 this subsection.

1 ~~(9)~~ (10) The pertinent provisions of Chapter 66, article
2 7, relating to the administration and imposition of motor fuel
3 taxes shall apply to the administration and imposition of
4 assessments made by the Department of Revenue relating to excess
5 credits claimed by ethanol producers under the Ethanol Development
6 Act. These provisions include, but are not limited to, issuance of
7 a deficiency following an examination of records, an assessment
8 becoming final after thirty days absent a written protest,
9 presumptions regarding the burden of proof, issuance of deficiency
10 within three years of original filing, issuance of notice by
11 registered or certified mail, issuance of penalties and waiver
12 thereof, issuance of interest and waiver thereof, and issuance of
13 corporate officer or employee or limited liability company manager
14 or member assessments. For purposes of determining interest and
15 penalties, the due date will be considered to be the date on which
16 the credits were used by the licensees to whom the credits were
17 transferred.

18 ~~(10)~~ (11) If a written protest is filed by the ethanol
19 producer with the department within the thirty-day period in
20 subsection (9) of this section, the protest shall: (a) Identify
21 the ethanol producer; (b) identify the proposed assessment which is
22 being protested; (c) set forth each ground under which a
23 redetermination of the department's position is requested together
24 with facts sufficient to acquaint the department with the exact
25 basis thereof; (d) demand the relief to which the ethanol producer
26 considers itself entitled; and (e) request that an evidentiary
27 hearing be held to determine any issues raised by the protest if
28 the ethanol producer desires such a hearing.

1 ~~(11)~~ (12) For applications received after April 16, 2004,
2 and before the effective date of this act, an ethanol facility
3 receiving benefits under the Ethanol Development Act shall not be
4 eligible for benefits under the Employment and Investment Growth
5 Act or the Invest Nebraska Act.

6 Sec. 2. Section 66-1344.01, Revised Statutes Supplement,
7 2004, is amended to read:

8 66-1344.01. The Tax Commissioner and the producer
9 eligible to receive credits under subsection (2) or (3) of section
10 66-1344 shall enter into a written agreement. The producer shall
11 agree to produce ethanol at the designated facility and any
12 expansion thereof. The Tax Commissioner, on behalf of the State of
13 Nebraska, shall agree to furnish the producer the tax credits as
14 provided by and limited in section 66-1344 in effect on the date of
15 the agreement. The agreement to produce ethanol in return for the
16 credits shall be sufficient consideration, and the agreement shall
17 be binding upon the state. No credit shall be given to any
18 producer of ethanol which fails to produce ethanol in Nebraska in
19 compliance with the agreement. The agreement shall include:

20 (1) The name of the producer;

21 (2) The ~~address~~ location of the ethanol facility;

22 (3) The date of the initial eligibility of the ethanol
23 facility to receive such credits;

24 (4) The name plate design capacity of the ethanol
25 facility as of the date of its initial eligibility to receive such
26 credits; and

27 (5) The name plate design capacity which the facility is
28 intended to have after the completion of any proposed expansion.

1 If no expansion is contemplated at the time of the initial
2 agreement, the agreement may be amended to include any proposed
3 expansion.

4 ~~The Tax Commissioner shall not accept any applications~~
5 ~~for new agreements on or after April 16, 2004.~~

6 Sec. 3. Section 66-1345, Revised Statutes Supplement,
7 2004, is amended to read:

8 66-1345. (1) There is hereby created the Ethanol
9 Production Incentive Cash Fund which shall be used by the board to
10 pay the credits created in section 66-1344 to the extent provided
11 in this section. Any money in the fund available for investment
12 shall be invested by the state investment officer pursuant to the
13 Nebraska Capital Expansion Act and the Nebraska State Funds
14 Investment Act. The State Treasurer shall transfer to the Ethanol
15 Production Incentive Cash Fund such money as shall be (a)
16 appropriated to the Ethanol Production Incentive Cash Fund by the
17 Legislature, (b) given as gifts, bequests, grants, or other
18 contributions to the Ethanol Production Incentive Cash Fund from
19 public or private sources, (c) made available due to failure to
20 fulfill conditional requirements pursuant to investment agreements
21 entered into prior to April 30, 1992, (d) received as return on
22 investment of the Ethanol Authority and Development Cash Fund, (e)
23 credited to the Ethanol Production Incentive Cash Fund from the
24 excise taxes imposed by section 66-1345.01, and (f) credited to the
25 Ethanol Production Incentive Cash Fund pursuant to sections 66-489,
26 66-4,134, 66-726, 66-1345.04, and 66-1519.

27 (2) The Department of Revenue shall, at the end of each
28 calendar month, notify the State Treasurer of the amount of motor

1 fuel tax that was not collected in the preceding calendar month due
2 to the credits provided in section 66-1344. The State Treasurer
3 shall transfer from the Ethanol Production Incentive Cash Fund to
4 the Highway Trust Fund an amount equal to such credits less the
5 following amounts:

6 (a) For 1993, 1994, and 1995, the amount generated during
7 the calendar quarter by a one-cent tax on motor fuel pursuant to
8 sections 66-489 and 66-6,107;

9 (b) For 1996, the amount generated during the calendar
10 quarter by a three-quarters-cent tax on motor fuel pursuant to such
11 sections;

12 (c) For 1997, the amount generated during the calendar
13 quarter by a one-half-cent tax on motor fuel pursuant to such
14 sections; and

15 (d) For 1998 and each year thereafter, no reduction.

16 For 1993 through 1997, if the amount generated pursuant
17 to subdivisions (a), (b), and (c) of this subsection and the amount
18 transferred pursuant to subsection (1) of this section are not
19 sufficient to fund the credits provided in section 66-1344, then
20 the credits shall be funded through the Ethanol Production
21 Incentive Cash Fund but shall not be funded through either the
22 Highway Cash Fund or the Highway Trust Fund. For 1998 and each
23 year thereafter, the credits provided in such section shall be
24 funded through the Ethanol Production Incentive Cash Fund but shall
25 not be funded through either the Highway Cash Fund or the Highway
26 Trust Fund.

27 If, during any month, the amount of money in the Ethanol
28 Production Incentive Cash Fund is not sufficient to reimburse the

1 Highway Trust Fund for credits earned pursuant to section 66-1344,
2 the Department of Revenue shall suspend the transfer of credits by
3 ethanol producers until such time as additional funds are available
4 in the Ethanol Production Incentive Cash Fund for transfer to the
5 Highway Trust Fund. Thereafter, the Department of Revenue shall,
6 at the end of each month, allow transfer of accumulated credits
7 earned by each ethanol producer on a prorated basis derived by
8 dividing the amount in the fund by the aggregate amount of
9 accumulated credits earned by all ethanol producers.

10 (3) The State Treasurer shall transfer from the Ethanol
11 Production Incentive Cash Fund to the Management Services Expense
12 Revolving Fund the amount reported under subsection (4) of section
13 66-1345.02 for each calendar month of the fiscal year as provided
14 in such subsection.

15 (4) On December 31, ~~2012~~ 2015, the State Treasurer shall
16 transfer one-half of the unexpended and unobligated funds from the
17 Ethanol Production Incentive Cash Fund to the Nebraska Corn
18 Development, Utilization, and Marketing Fund and Grain Sorghum
19 Development, Utilization, and Marketing Fund in the same proportion
20 as funds were collected pursuant to section 66-1345.01 from corn
21 and grain sorghum. The Department of Agriculture shall assist the
22 State Treasurer in determining the amounts to be transferred to the
23 funds. The remaining one-half of the unexpended and unobligated
24 funds shall be transferred to the General Fund.

25 (5) Whenever the unobligated balance in the Ethanol
26 Production Incentive Cash Fund exceeds twenty million dollars, the
27 Department of Revenue shall notify the Department of Agriculture at
28 which time the Department of Agriculture shall suspend collection

1 of the excise tax levied pursuant to section 66-1345.01. If, after
2 suspension of the collection of such excise tax, the balance of the
3 fund falls below ten million dollars, the Department of Revenue
4 shall notify the Department of Agriculture which shall resume
5 collection of the excise tax.

6 (6) On or before December 1, 2003, and each December 1
7 thereafter, the Department of Revenue and the Nebraska Ethanol
8 Board shall jointly submit a report to the Legislature which shall
9 project the anticipated revenue and expenditures from the Ethanol
10 Production Incentive Cash Fund through the termination of the
11 ethanol production incentive programs pursuant to section 66-1344.
12 The initial report shall include a projection of the amount of
13 ethanol production for which the Department of Revenue has entered
14 agreements to provide ethanol production credits pursuant to
15 section 66-1344.01 and any additional ethanol production which the
16 Department of Revenue and the Nebraska Ethanol Board reasonably
17 anticipate may qualify for credits pursuant to section 66-1344.

18 Sec. 4. Section 66-1345.01, Revised Statutes Supplement,
19 2004, is amended to read:

20 66-1345.01. An excise tax is levied upon all corn and
21 grain sorghum sold through commercial channels in Nebraska or
22 delivered in Nebraska. For any sale or delivery of corn or grain
23 sorghum occurring on or after July 1, 1995, and before January 1,
24 2000, the tax is three-fourths cent per bushel for corn and
25 three-fourths cent per hundredweight for grain sorghum. For any
26 sale or delivery of corn or grain sorghum occurring on or after
27 January 1, 2000, and before January 1, 2001, the tax is one-half
28 cent per bushel for corn and one-half cent per hundredweight for

1 grain sorghum. For any sale or delivery of corn or grain sorghum
2 occurring on or after October 1, 2001, and before October 1, 2004,
3 the tax is one-half cent per bushel for corn and one-half cent per
4 hundredweight for grain sorghum. For any sale or delivery of corn
5 or grain sorghum occurring on or after October 1, 2004, and on or
6 before ~~October 1, 2010~~ December 31, 2011, the tax is three-fourths
7 cent per bushel for corn and three-fourths cent per hundredweight
8 for grain sorghum. For any sale or delivery of corn or grain
9 sorghum occurring on or after January 1, 2012, and on or before
10 December 31, 2013, the tax is one-half cent per bushel for corn and
11 one-half cent per hundredweight for grain sorghum. The tax shall
12 be in addition to any fee imposed pursuant to sections 2-3623 and
13 2-4012.

14 The excise tax shall be imposed at the time of sale or
15 delivery and shall be collected by the first purchaser. The tax
16 shall be collected, administered, and enforced in conjunction with
17 the fees imposed pursuant to sections 2-3623 and 2-4012. The tax
18 shall be collected, administered, and enforced by the Department of
19 Agriculture. No corn or grain sorghum shall be subject to the tax
20 imposed by this section more than once.

21 In the case of a pledge or mortgage of corn or grain
22 sorghum as security for a loan under the federal price support
23 program, the excise tax shall be deducted from the proceeds of such
24 loan at the time the loan is made. If, within the life of the loan
25 plus thirty days after the collection of the excise tax for corn or
26 grain sorghum that is mortgaged as security for a loan under the
27 federal price support program, the grower of the corn or grain
28 sorghum so mortgaged decides to purchase the corn or grain sorghum

1 and use it as feed, the grower shall be entitled to a refund of the
2 excise tax previously paid. The refund shall be payable by the
3 department upon the grower's written application for a refund. The
4 application shall have attached proof of the tax deducted.

5 The excise tax shall be deducted whether the corn or
6 grain sorghum is stored in this or any other state. The excise tax
7 shall not apply to the sale of corn or grain sorghum to the federal
8 government for ultimate use or consumption by the people of the
9 United States when the State of Nebraska is prohibited from
10 imposing such tax by the Constitution of the United States and laws
11 enacted pursuant thereto.

12 Sec. 5. Section 66-1519, Revised Statutes Supplement,
13 2004, is amended to read:

14 66-1519. (1) There is hereby created the Petroleum
15 Release Remedial Action Cash Fund to be administered by the
16 department. Revenue from the following sources shall be remitted
17 to the State Treasurer for credit to the fund:

18 (a) The fees imposed by sections 66-1520 and 66-1521;

19 (b) Money paid under an agreement, stipulation,
20 cost-recovery award under section 66-1529.02, or settlement; and

21 (c) Money received by the department in the form of
22 gifts, grants, reimbursements, property liquidations, or
23 appropriations from any source intended to be used for the purposes
24 of the fund.

25 (2) Money in the fund may be spent for: (a)
26 Reimbursement for the costs of remedial action by a responsible
27 person or his or her designated representative and costs of
28 remedial action undertaken by the department in response to a

1 release first reported after July 17, 1983, and on or before June
2 30, 2009, including reimbursement for damages caused by the
3 department or a person acting at the department's direction while
4 investigating or inspecting or during remedial action on property
5 other than property on which a release or suspected release has
6 occurred; (b) payment of any amount due from a third-party claim;
7 (c) fee collection expenses incurred by the State Fire Marshal; (d)
8 direct expenses incurred by the department in carrying out the
9 Petroleum Release Remedial Action Act; (e) other costs related to
10 fixtures and tangible personal property as provided in section
11 66-1529.01; (f) interest payments as allowed by section 66-1524;
12 (g) expenses incurred by the technical advisory committee created
13 in section 81-15,189 in carrying out its duties pursuant to section
14 81-15,190; (h) claims approved by the State Claims Board authorized
15 under section 66-1531; (i) a grant to a city of the metropolitan
16 class in the amount of three hundred thousand dollars, provided
17 within five days after October 1, 2003, to carry out the federal
18 Residential Lead-Based Paint Hazard Reduction Act of 1992, 42
19 U.S.C. 4851 et seq., as such act existed on October 1, 2003; and
20 (j) methyl tertiary butyl ether testing, to be conducted randomly
21 at terminals within the state for up to two years ending June 30,
22 2003. The amount expended on the testing shall not exceed forty
23 thousand dollars. The testing shall be conducted by the Department
24 of Agriculture. The department may enter into contractual
25 arrangements for such purpose. The results of the tests shall be
26 made available to the Department of Environmental Quality.

27 (3) Transfers may be made from the Petroleum Release
28 Remedial Action Cash Fund to the General Fund at the direction of

1 the Legislature. Transfers may be made from the Petroleum Release
2 Remedial Action Cash Fund to the Water Policy Task Force Cash Fund
3 at the direction of the Legislature. The State Treasurer shall
4 transfer one million five hundred thousand dollars from the
5 Petroleum Release Remedial Action Cash Fund to the Ethanol
6 Production Incentive Cash Fund on July 1, 2004. The State
7 Treasurer shall transfer five million dollars from the Petroleum
8 Release Remedial Action Cash Fund to the Ethanol Production
9 Incentive Cash Fund on October 1 of each of the following years:
10 2005 through 2011. The State Treasurer shall transfer three
11 million dollars from the Petroleum Release Remedial Action Cash
12 Fund to the Ethanol Production Incentive Cash Fund on October 1,
13 2012, and October 1, 2013. ~~of each of the following years: 2004~~
14 ~~through 2011.~~

15 (4) Any money in the Petroleum Release Remedial Action
16 Cash Fund available for investment shall be invested by the state
17 investment officer pursuant to the Nebraska Capital Expansion Act
18 and the Nebraska State Funds Investment Act.

19 Sec. 6. Original sections 66-1344, 66-1344.01, 66-1345,
20 66-1345.01, and 66-1519, Revised Statutes Supplement, 2004, are
21 repealed.